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NINETY-FIRST LEGISLATURE

Legislative Document

No. 703

S. P. 408 In Senate, February 23, 1943. Referred to Committee on Labor. Sent down for concurrence and ordered printed.

ROYDEN V. BROWN, Secretary. Presented by Senator Brown of Aroostook.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED FORTY-THREE

AN ACT Providing that Labor Unions Shall Be Licensed by the State.

Be it enacted by the People of the State of Maine, as follows:

R. S., c. 61, additional. Chapter 61 of the revised statutes is hereby amended by adding thereto new sections to be numbered sections 38 to 51, to read as follows:

'Sec. 38. Definitions; terms defined. As used in the following sections, the following words shall have the following meaning:

A. "Labor union" shall mean any corporation, society, voluntary association formed or organized, or carried on, for the purpose of maintaining or improving working conditions or wages of its members.

B. "Local union" shall mean any local labor organization deriving its existence or charter from any parent or national labor organization.

C. "Business agent" shall mean any agent elected or appointed, authorized to represent the members of a local, state or national labor organization in negotiating wages, conditions or grievances of its members with employers.' 'Sec. 39. Certificate of authorization. Any corporation, organization, association or society organized for the purpose of maintaining, negotiating or improving working conditions or wages, whether formed within or without the state, shall, before doing business in this state either in the collection of dues, membership fees, initiation fees or assessments, or the soliciting of membership, and before negotiating any contract of working conditions or wages for the benefit of its members, register with the secretary of state on a form prescribed by him for a certificate of authorization permitting it to do business in this state.'

'Sec. 40. Conditions for issuance of certificate of authorization. No certificate of authorization shall be issued to any corporation, organization, association or society unless in the application for registration the said corporation, organization, association or society files with the secretary of state as a condition for the issuance of a certificate of authorization:

a. An appointment of the secretary of state as its agent upon whom all notices, service of process and legal notice may be served, and such service shall have the same force and effect as if served upon the corporation, organization, association or society.

b. That it will keep records in a form prescribed by the secretary of state of all moneys received and disbursed.

c. That it will submit its books and records to examination and audit by the secretary of state, annually, or sooner, if in the discretion of the secretary of state it is deemed advisable.

d. That it will keep its books and records within the state where they may be open for inspection by the secretary of state at all reasonable times.

e. That it will publish annually in a newspaper and in manner and form as designated and prescribed by the secretary of state, a statement of its financial condition sworn to by the secretary, treasurer and business agent.'

'Sec. 41. Agents or business agents of labor organizations to be licensed. No person shall act or hold himself out as an agent or business agent of any local, state or national labor organization, in this state, without first being licensed by the secretary of state. Any persons having been duly elected or appointed to act as an agent or business agent of any local, state or national labor organization before attempting to act in its behalf, either in the soliciting of membership or the acceptance of membership applications or negotiation for contracts of labor as to either working con-

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ditions or wages or in the adjustment or settlement of any grievances of the members of any labor organization, shall first obtain a license, which shall be renewed annually on the 2nd day of January of each year, from the secretary of state by making application on a form prescribed by the secretary of state, setting forth the source of his authority, the term of his election or appointment, and such other information as may be required by the secretary of state.'

'Sec. 42. Penalty. Any person holding himself out or acting as an agent or business agent of any labor union or local union, unless licensed by the secretary of state, and any person acting without such a license shall be punished by a fine of not more than \$500 or not more than 6 months in jail or by both such fine and imprisonment.'

'Sec. 43. Legal proceedings to be instituted if assets wasted. Whenever it should become apparent to the secretary of state upon examination or audit that the dues, initiation fees, assessments or assets generally of the labor union or local union, as hereinbefore defined, are being wasted or are in eminent danger of being lost, he shall forthwith notify the attorney-general of such condition and request that there be instituted in behalf of the secretary of state proper legal proceedings before a justice of the supreme judicial court or a superior court in equity, a petition for the appointment of a receiver.'

'Sec. 44. Copy of charter and by-laws, also sworn statement to be deposited with secretary of state; renewal of certificate. Every labor union or local union, as hereinbefore defined, shall, before having issued to it a certificate of authorization, deposit with the secretary of state, a copy of its charter and by-laws, and also, a statement signed and sworn to by the secretary and treasurer and business agent stating the amount of its assets and liabilities, the manner of its investment, particularizing each item, and shall further name the depositories of its cash and securities, and thereupon if the secretary of state is satisfied in all respects, shall grant a certificate of authorization to the labor union or local union authorizing it to engage itself as a labor organization in this state. The said certificate of authorization shall be renewed annually on the 2nd day of January of each year.'

'Sec. 45. Annual fee. There shall be an annual fee paid with each application filed with any labor union or local union of \$25, payable to the secretary of state, and likewise, a fee of \$10 annually with each application for a license for a business agent.'

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'Sec. 46. Election of officers. Each trade or labor union, holding elections in this state, must elect all officers annually by secret ballot, all members being eligible to participate in such elections, and said elections to be held under rules and regulations to be promulgated by the secretary of state.'

'Sec. 47. Complete financial statement to be distributed to members. Each trade or labor union shall distribute annually to all members a complete financial statement covering its past fiscal year, within 30 days of the termination of such fiscal year, including the salaries and expenses of all officers and agents of such unions.'

'Sec. 48. When initiation fees, etc. shall become effective. Initiation fees, dues and assessments of trade or labor unions shall not become effective until after voted upon and approved by a majority of its members.'

'Sec. 49. Membership. Membership in any trade or labor union shall not be denied to any person on account of race or color and union membership shall not be denied to any person on the ground that such trade or labor union is a "closed union." '

'Sec. 50. Suspension of license. Any trade or labor union, violating any of the provisions of sections 38 to 51, inclusive, shall be punished by suspension of its license and by a fine of not more than \$1,000.'

'Sec. 51. Powers and duties of secretary of state. The secretary of state is hereby authorized and empowered to carry out the duties and powers given him under the provisions of sections 38 to 50, inclusive.'